



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

(VIA ELECTRONIC MAIL)

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 20, 2008

To: All Department Heads

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to be "W. T. Fujioka", is written over the printed name and title.

RECOMMENDATIONS TO AVOID RETROACTIVE CONTRACTS WITH OTHER AGENCIES AND OUTSTANDING DEBT SURVEY

This memorandum is to advise you of the Board of Supervisors' instructions regarding avoidance of retroactive contracts with the City of Los Angeles (and other governmental agencies) and request information of any outstanding contract amounts due the County from other agencies and/or outstanding amounts the County owes to other agencies.

Retroactive Contracts with City of Los Angeles

On April 1, 2008, the Board instructed this Office to address, among other issues, the reasons leading to agreements for *past* County services to the City of Los Angeles (City) and recommendations on how to avoid retroactive agreements in the future. On May 2, 2008, this Office reported back on a service agreement with the City to accept funding allocations for the Community Law Enforcement and Recovery (CLEAR) program and also recommended the following to avoid retroactive agreements, such as the CLEAR agreement, in the future:

- Any future agreements to apply for grant money with the City are contingent upon the City approving the Professional Services Agreement (PSA) at the same time as the City approves the agreement to apply for the grant money. The PSA should require the City to make timely payment upon City receipt of the grant funding. The PSA may include language stating that the PSA shall become effective upon release of the grant award.
- The County should avoid entering into a CLEAR agreement with the City regarding the potential new CLEAR sites until the current CLEAR sites are fully reimbursed for all outstanding costs and all funding issues between the City and the County have been resolved, effective Fiscal Year 2008-09.
- The County should incorporate into agreements enforceable terms that address the issue of payment expectations. Future County contracts should include requirements for quarterly payment schedules that are agreed upon by all parties.

On May 6, 2008, the Board adopted these recommendations and instructed that the recommendations to avoid retroactive contracts apply to **all contracts** with the City. Accordingly, these recommendations are effective immediately and apply to all contracts with

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the City of Los Angeles. Departments should also implement these recommendations as practicable in agreements with **all jurisdictions.**

Survey of Outstanding Amounts Owed

Later in the May 6, 2008 Board meeting, Supervisor Yaroslavsky requested that this Office review all contracts with public agencies, not just the City of Los Angeles, to determine if there is any outstanding debt owed to the County, or if the County has any outstanding debt owed to other public agencies. This memorandum also serves to request the outstanding debt information from departments. Using the attached template, please provide the following information electronically in Microsoft Word format:

- The outstanding debt owed to your department by any public agency, including the amount owed to your department, the name of the public agency, agreement or contract name, type of service, and your current efforts to collect the debt.
- The outstanding debt owed by your department to any public agency, including the amount owed by your department, the name of the public agency, agreement or contract name, type of service, and your current efforts to settle the debt.

Please provide this information to Vincent Amerson via E-mail to vamerson@ceo.lacounty.gov by **Friday, June 6, 2008.** Should you have questions regarding this correspondence, please let me know or your staff can contact Mr. Amerson at (213) 974-1168. We will utilize the compiled information to report back to the Board. Thank you for your assistance in this effort.

WTF:ES
MKZ:VLA:pg

Attachment

c: Each Supervisor
Deputy Chief Executive Officers

OUTSTANDING DEBT SURVEY

DEPARTMENT:	BRANCH/DIVISION:	
CONTACT NAME/TITLE:	TELEPHONE NUMBER:	E-MAIL ADDRESS:

1. OUTSTANDING DEBT OWED BY DEPARTMENT

[illegible]

2. OUTSTANDING DEBT OWED TO DEPARTMENT

[illegible]